

# SENATE BILL No. 288

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-4.1.

**Synopsis:** Inheritance tax exemption for Class A transferees. Provides an exemption from the inheritance tax for property transferred to lineal descendants and ancestors (Class A transferees) with respect to persons who die after June 30, 2004.

**Effective:** July 1, 2004.

**Ford**

January 8, 2004, read first time and referred to Committee on Finance.

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Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## SENATE BILL No. 288

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-4.1-3-10 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 10. **(a) With respect**  
3 **to a person who dies before July 1, 2004**, the first one hundred  
4 thousand dollars (\$100,000) of property interests transferred to a Class  
5 A transferee under a taxable transfer or transfers is exempt from the  
6 inheritance tax.

7 **(b) With respect to a person who dies after June 30, 2004, the**  
8 **entire amount of property interests transferred to a Class A**  
9 **transferee is exempt from the inheritance tax.**

10 SECTION 2. IC 6-4.1-5-1 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) For purposes of  
12 this section, the net taxable value of property interests transferred by a  
13 decedent to a particular transferee equals the remainder of:

- 14 (1) the total fair market value of the property interests transferred  
15 by the decedent to the transferee under a taxable transfer or  
16 transfers; minus  
17 (2) the total amount of exemptions and deductions provided under



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~~sections 9-1 through 15 of IC 6-4.1-3~~ **IC 6-4.1-3-10 through**

**IC 6-4.1-3-15** with respect to the property interests so transferred.

(b) **With respect to a person whose death occurred before July 1, 2004**, the inheritance tax imposed on a decedent's transfer of property interests to a particular Class A transferee is prescribed in the following table:

NET TAXABLE VALUE OF PROPERTY INTERESTS TRANSFERRED	INHERITANCE TAX
\$25,000 or less .....	1% of net taxable value
over \$25,000 but not over \$50,000 .....	\$250, plus 2% of net taxable value over \$25,000
over \$50,000 but not over \$200,000 .....	\$750, plus 3% of net taxable value over \$50,000
over \$200,000 but not over \$300,000 .....	\$5,250, plus 4% of net taxable value over \$200,000
over \$300,000 but not over \$500,000 .....	\$9,250, plus 5% of net taxable value over \$300,000
over \$500,000 but not over \$700,000 .....	\$19,250, plus 6% of net taxable value over \$500,000
over \$700,000 but not over \$1,000,000 ....	\$31,250, plus 7% of net taxable value over \$700,000
over \$1,000,000 but not over \$1,500,000 ....	\$52,250, plus 8% of net taxable value over \$1,000,000
over \$1,500,000 .....	\$92,250, plus 10% of net taxable value over \$1,500,000

(c) **With respect to a person whose death occurred after June 30, 2004, no inheritance tax is imposed on the person's transfer of property interests to a particular Class A transferee.**

(d) The inheritance tax imposed on a decedent's transfer of property interests to a particular Class B transferee is prescribed in the following table:

NET TAXABLE VALUE OF PROPERTY INTERESTS TRANSFERRED	INHERITANCE TAX
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1	\$100,000 or less .....	7% of net taxable value
2	over \$100,000 but not	
3	over \$500,000 .....	\$7,000, plus 10% of net
4		taxable value over \$100,000
5	over \$500,000 but not	
6	over \$1,000,000 ....	\$47,000, plus 12% of net
7		taxable value over \$500,000
8	over \$1,000,000 .....	\$107,000, plus 15% of net
9		taxable value over \$1,000,000
10	(d) (e) The inheritance tax imposed on a decedent's transfer of	
11	property interests to a particular Class C transferee is prescribed in the	
12	following table:	
13	NET TAXABLE VALUE OF	
14	PROPERTY INTERESTS	
15	TRANSFERRED	INHERITANCE TAX
16	\$100,000 or less .....	10% of net taxable value
17	over \$100,000 but not	
18	over \$1,000,000 ....	\$10,000, plus 15% of net
19		taxable value over
20		\$100,000
21	over \$1,000,000 .....	\$145,000, plus 20% of
22		net taxable value over
23		\$1,000,000

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